

TESTIMONY OF SUE DOWD
STEPHENSON'S LAKE SUBDIVISION
DOWD WATER SYSTEM, INC.
DOCKET NO. 2001-75-W

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FOR

DOWD WATER SYSTEMS, INC.

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IN RE: STEPHENSON'S LAKE SUBDIVISION

1. Q. WOULD YOU PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION?

2. A. My name is Sue Dowd and I reside at #77 Dowd Road, Prosperity, S.C. 29127. I am the owner
3. and Manager of Dowd Water Systems, Inc. of which Stephenson's Lake is a division of Dowd.

4. Q. HOW DID YOU ACQUIRE STEPHENSON'S LAKE UTILITY?

5. A. It was left to me through my late husband's estate in February 2000.

6. Q. WOULD YOU BRIEFLY DESCRIBE THIS UTILITY?

7. A. Yes. The utility has twenty-five (25) full time customers. There are three wells and two water
8. tanks. One tank is 17,000 gallons and the much smaller one is probably about 500 gallons. The
9. distribution lines that serve the customers are 1" which is certainly large enough to serve their
10. needs. There are no water meters installed so the residents have access to unlimited water usage.

11. Q. DOES HAVING UNLIMITED WATER USAGE CAUSE A STRAIN ON THE SYSTEM?

12. A. Yes, it does. First of all, it takes three pumps to keep water in the tanks. Secondly, the pumps have
13. to work a lot more. In fact, during June of this year, I have had to replace two (2) pumps already.
14. I don't have the bill for the replacements as of this date but I estimate the costs to be in excess of
15. \$4,000. I have to use my own money for these types of expenses since the utility is operating at a
16. loss for the year.

17. Q. DO YOU HAVE ANY OTHER BIG BILLS LIKE THIS?

18. A. Yes. I have been told to paint the 17,000 gallon tank. I talked with one paint contractor and he
19. says the minimum cost would be \$7,000. I figure that between the pump replacement and painting
20. this tank will just about break me even for two years. I am comparing this to Maready Exhibit A,
21. Column (5), where he shows the Operating Income of \$4,956 plus the Income Taxes of \$1,181.

1. **Q. WHAT RATES AND CHARGES ARE YOU REQUESTING AT THIS HEARING?**
2. A. I am proposing \$51 per month for unlimited usage of water. I have talked with most of the home
3. owners and twenty-three (23) out of the twenty-five (25) have signed a petition that they would
4. rather be on my system at this charge than be hooked up to the Chapin system. I am also proposing
5. \$180 for a disconnect--reconnect fee. The contractor will charge me \$75 to meet me at the site to
6. dig and cut off the water and I have to be there to show him where the line is to be disconnected. I
7. am asking \$15 for a round trip to the system. When the customer pays his or her bill, we have to
8. perform the same functions to have the service cut back on. This amounts to \$90 for each trip.
9. **Q. MRS. DOWD, DURING THE TIME YOU HAVE MANAGED THIS UTILITY, HAVE YOU RECEIVED ANY FUNDS FROM IT FOR YOUR OWN USE?**
11. A. No. Since the utility has operated at a loss , I am having to put my own money into it. In fact,
12. this year will be even worse.
13. **Q. OTHER THAN THE PAINTING OF THE TANK AND REPLACING THE PUMPS, WHAT OTHER MAJOR EXPENSES WILL YOU INCUR?**
14. **Q. OTHER THAN THE PAINTING OF THE TANK AND REPLACING THE PUMPS, WHAT OTHER MAJOR EXPENSES WILL YOU INCUR?**
15. A. I have been required by DHEC to have daily inspections by a licensed engineer. In April, I
16. contracted with one at \$6,618 per year. I did not have the money. After explaining the situation
17. to DHEC, DHEC and the engineer agreed to inspect the system three days a week for \$258 per
18. month and I would inspect it the other four days per week. When my rates are approved, DHEC
19. will expect me to have the engineer inspect seven days a week.
20. **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**
21. A. Except for a request to this Commission for an expedited decision, that concludes my testimony.